GOVERNMENT OF INDIA
TEXTILES
LOK SABHA

UNSTARRED QUESTION NO:5359
ANSWERED ON:06.04.2017
Competition with Chinese Textile Products
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Will the Minister of TEXTILES be pleased to state:

(a) whether it is a fact that the textile and apparel industry is facing a stiff competition from China and if so, the details thereof;

(b) whether the Government have finalised any action plan to remove the bottlenecks in the textile industry with a view to compete with the Chinese industry; and

(c) if so, the details thereof and the time by which the textile industry likely to be in a position to achieve the desired results?

Answer

MINISTER OF STATE FOR TEXTILES
(SHRI AJAY TAMTA)

(a): Yes, India faces competition from China in global textiles and apparel exports. China is the single largest exporters of textiles. The export of textiles and clothing from India, China vis-Ã -vis world during the year 2015 is as under:-
(In US dollar at current prices (Millions)
Textile Clothing Combined (Textile clothing)
World (all countries) 290519 World (all countries) 453894 World (all countries) 744413
China 108817 China 174082 China 282899
India 17289 India 18254 India 35543
Source: WTO

From the above, it may be observed that China shares almost 38% of the world exports, whereas India's share is 4.77% only.

(b) & (c): Yes Madam. In order to give boost to the textile industry, Government has introduced special packages for apparel and made-ups sector in June, 2016 and December, 2016 respectively which include schemes like Amended Technology Upgradation Fund Scheme (ATUFS), Pradhan Mantri Paridhan Rojgar Protsahan Yojna (PMPRPY), Scheme of Rebate of State Levies (RoSL) on export of garments etc. Besides, with a view to modernize textile industry, increase production and global competitiveness schemes such as Schemes for Technical textiles, Scheme for Integrated Textile Parks (SITP), Integrated Skill Development Scheme etc. are also being run by the Government.

Apart from the steps taken by the Government mentioned above, the Government has taken following initiatives to augment the textile exports:-

i. MEIS Scheme under new Foreign Trade Policy 2015-20.
ii. Restoring Interest rate subvention for pre and post shipment credit for the textile sector,
iii. Expanding the scope of Merchandise Export from India Scheme (MEIS) since 29.10.2015 to 110 new tariff lines and increase rates or country coverage or both for 2228 existing tariff lines.
iv. Increased Duty Drawback rates for some textile articles.
v. Market Access Initiative (MAI) Scheme.
vi. Market Development Assistance (MDA) Scheme.
vii. Duty Free import of trimmings, embellishments and other specified item under Export Performance Certificate Entitlement Scheme.

Improving competitiveness in global textiles and apparel exports is a continuous process. The Government has been keeping a constant track on the developments of the sector globally and has been working in tandem with the industry to enhance India's competitiveness.

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